

March 22, 2017

Mr. Gary D. Cohn
National Economic Council
The White House
1600 Pennsylvania Avenue, N.W.
Washington, DC 20500

Dear Mr. Gary Cohn:

Our organizations represent reinsurance businesses, civil engineers, and fiscal conservatives. We are deeply concerned by reports that the Administration may be considering repeal of Executive Order 13690, the Federal Flood Risk Management Standard (FFRMS) through your “Energy Independence” Executive Order. The FFRMS represents a pragmatic and prudent disaster risk management strategy that will safeguard the nation’s infrastructure, protect businesses and communities, and conserve taxpayer resources. While our organizations may have diverse views on other elements that are proposed for inclusion in the Energy Independence Executive Order and their policy objectives, on the issue of FFRMS at least, we are of one mind. We believe it should be preserved.

The updated flood standard provides sound disaster and flood risk management guidance that involves assessing risks, avoiding them to the extent possible, and making appropriate financial arrangements, through insurance or otherwise, for risks that cannot be avoided. At its core, the FFRMS is a responsible, multi-layered risk management approach that ensures federal resources are spent wisely and efficiently. The pressing need for an updated approach to assessing and managing flood risk is borne out by an increasingly costly cycle of flooding and rebuilding that can and should be stemmed. From 1980 to 2013, flooding caused more than \$260 billion in damage in the U.S.

Without the FFRMS, disaster relief and recovery policies will allow for and even encourage unprepared communities to build unwisely and subsequently rely upon federal help when flood disasters hit. We simply cannot afford to allow this pattern to continue. When federal funds are used for development in flood-prone areas, it is simply common sense to consider and mitigate those risks upfront in order to ensure the investment will be long lasting. That in a nutshell is the aim of the FFRMS.

When implemented, the FFRMS will help protect people and property, reduce federal expenses associated with rebuilding after tremendous flood losses, and make communities stronger. Repealing the FFRMS would be shortsighted and we ask the administration to strongly reconsider any repeal or rollback.

Thank you,

Tom Smith, Executive Director
American Society of Civil Engineers

Eli Lehrer, President
R Street

Pete Sepp, President
National Taxpayers Union

Ryan Alexander, President
Taxpayers for Common Sense

Franklin W. Nutter, President
Reinsurance Association of America